

UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT

UNITED STATES OF AMERICA, :
PLAINTIFF, : Docket No.
VS. :
PROGRAM DYNAMIX, INC., :
DEFENDANT. : April 5, 2019

COMPLAINT

NOW COMES the United States of America, by and through its undersigned attorneys, and alleges the following:

1. This is a civil action brought by the plaintiff, United States of America, on behalf of the United States Small Business Administration (“SBA”) to reduce to judgment a debt owed by the defendant to the SBA.
2. This Court has jurisdiction over this case pursuant to 28 U.S.C. § 1345.
3. The Defendant, Program Dynamix, Inc., is a corporation organized under the laws of the State of Connecticut, which conducts business in Connecticut, and is within the jurisdiction of this Court.
4. On August 24, 2007, Program Dynamix, Inc. (the “Defendant”) executed a promissory note and unconditional guarantee loan agreement for \$375,000.00, plus interest (“Loan #1”). Pursuant to Section 7(a) of the Small Business Act, as amended, 15 U.S.C. § 636, the SBA guaranteed 75% of this loan. *See* Exhibit A, attached hereto and incorporated herein, page 1.

5. On March 1, 2014, the Defendant became delinquent on this obligation, with a balance due of \$157,483.32. As a result of this delinquency, the SBA paid on its guarantee, and became the holder of the Note. *See Exhibit A, page 1.*

6. The total principal of this debt is \$157,483.32, plus fees and interest, for a total balance of \$247,915.27 as of January 25, 2019, with interest continuing to accrue until the date of judgment. *See Exhibit A at 2.*

7. On August 24, 2007, the Defendant executed another promissory note and unconditional guarantee loan agreement for \$75,000.00, plus interest (“Loan #2”). Pursuant to Section 7(a) of the Small Business Act, as amended, 15 U.S.C. § 636, the SBA guaranteed 50% of this loan. *See Exhibit A, page 2.*

8. On February 2, 2014, the Defendant became delinquent on this obligation, with a balance due of \$63,987.77. As a result of this delinquency, the SBA paid on its guarantee, and became the holder of the Note. *See Exhibit A at 2.*

9. The total principal of this debt is \$63,987.77, plus fees and interest, for a total balance of \$101,241.53 as of January 25, 2019, with interest continuing to accrue until the date of judgment. *See Exhibit A at 2.*

10. Demand has been made upon the Defendant by the United States for the sum due, but the amount due remains unpaid.

WHEREFORE, the United States demands judgment against the Defendant as to Loan #1 for the total of \$247,915.27, plus costs, plus interest continuing to accrue to the date of judgment.

The United States also demands judgment against the Defendant as to Loan #2 for the total of \$101,241.53, plus costs, plus interest continuing to accrue to the date of judgment.

The United States further demands, pursuant to 28 U.S.C. Section 1961, that interest on any judgment be at the legal rate until the judgment is paid in full.

Respectfully submitted,

UNITED STATES OF AMERICA

JOHN H. DURHAM
UNITED STATES ATTORNEY

/s/

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U.S. DEPARTMENT OF THE TREASURY
BUREAU OF THE FISCAL SERVICE
WASHINGTON, DC 20227

ACTING ON BEHALF OF
U.S. SMALL BUSINESS ADMINISTRATION
CERTIFICATE OF INDEBTEDNESS

Program Dynamix, Inc.
1155 Main Street
South Windsor, CT 06074
EIN: [REDACTED]

TRFM #: 1600302634 & 1700007581
Agency Claim #: 2957236003 & 2957246006

I hereby certify, as part of my duties with the U.S. Department of the Treasury (Treasury), including referring matters to the U.S. Department of Justice (DOJ) for litigation, I am a custodian of records of certain files sent by the U.S. Small Business Administration (SBA) to Treasury for collection actions. As a custodian of records for Treasury, I have care and custody of records relating to the two (2) debts owed by Program Dynamix, Inc. (DEBTOR) to SBA.

The information contained in this Certificate of Indebtedness is based on documents created by an employee or contractor of SBA based on his/her knowledge at or near the time the events were recorded, or by an employee or contractor of Treasury based on his/her knowledge at or near the time the events were recorded. Treasury's regular business practice is to receive, store and rely on the documents provided by SBA, when debts are referred to Treasury for collection activities, including litigation.

Case #1 – TRFM1600302634/2957236003

On August 24, 2007, the DEBTOR executed a promissory note and unconditional guarantee loan agreement for \$375,000.00, with interest accruing at various rates with an initial rate of 11.00%, except as otherwise provided within the Promissory Note with First Niagara Bank, successor to New Alliance Bank (LENDER). Pursuant to Section 7(a) of the Small Business Act as amended, the SBA guarantees 75% of this loan.

On September 21, 2007, the LENDER disbursed a total of \$375,000.00 of which the DEBTOR made payments totaling \$341,998.96. The payments were applied, \$219,891.72 to the principal and \$122,107.24 to the interest. The DEBTORS became delinquent on the obligation on March 1, 2014 with a balance due of \$157,483.32, due to the delinquency the SBA had to pay the guaranteed 75% and became holder of the Note.

SBA referred the claim to Treasury's Bureau of the Fiscal Service, Debt Management Services (DMS) to collect the delinquent debt on August 23, 2016. Further, I certify that I am familiar with Treasury's record keeping practices, including the receipt of files from SBA.



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On December 19, 2018, DMS referred the claim to DOJ for litigation and collection in the amount due of \$157,483.32 with daily interest of \$25.88. As of January 25, 2019, the DEBTOR is indebted to the United States in the amounts stated as follows:

Principal:	\$157,483.32
Interest (@6.00%):	\$ 24,696.84
Admin Fees:	\$ 65,735.11
Total:	\$247,915.27

Case #2– TRFM1700007581/2957246006

On August 24, 2007, the DEBTOR executed a promissory note and unconditional guarantee loan agreement for \$75,000.00, with interest accruing at various rates with an initial rate of 11.00%, except as otherwise provided within the Promissory Note with First Niagara Bank, successor to New Alliance Bank (LENDER). Pursuant to Section 7(a) of the Small Business Act as amended, the SBA guarantees 50% of this loan.

From October 15, 2007 through September 10, 2008, the LENDER disbursed a total of \$104,500.00 of which the DEBTOR made payments totaling \$68,771.46. The payments were applied, \$40,512.23 to the principal and \$27,696.84 to the interest. The DEBTOR became delinquent on the obligation on February 2, 2014 with a balance due of \$63,987.77, due to the delinquency the SBA had to pay the guaranteed 50% and became holder of the Note.

SBA referred the claim to Treasury's Bureau of the Fiscal Service, Debt Management Services (DMS) to collect the delinquent debt on January 10, 2017. Further, I certify that I am familiar with Treasury's record keeping practices, including the receipt of files from SBA.

On December 19, 2018, DMS referred the claim to DOJ for litigation and collection in the amount due of \$63,987.77 with daily interest of \$12.71. As of January 25, 2019, the DEBTOR is indebted to the United States in the amounts stated as follows:

Principal:	\$ 63,987.77
Interest (@7.25%):	\$ 10,409.41
Admin Fees:	\$ 26,844.35
Total:	\$ 101,241.53



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The balance(s) stated in the case(s) listed above are current as of January 25, 2019, including any applicable interest, penalties, administrative fees, and DMS & DOJ fees (pursuant to 31 U.S.C. 3717(e) and 3711(g)(6), (7); 31 C.F.R. 285.12(j) and 31 C.F.R. 901.1(f); and 28 U.S.C. 527, note).

Pursuant to 28 U.S.C. § 1746(2), I certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief based upon information provided by SBA and information contained in Treasury's records.

1/25/2019

A handwritten signature in black ink, appearing to read "Natalie R. Stubbs", is placed over a horizontal line.

Signed by: Natalie R. Stubbs
Natalie Stubbs
Financial Program Specialist
U.S. Department of the Treasury
Bureau of the Fiscal Service